



**Our Vision: The NGEC will provide national leadership in standardization, acquisition, and management of passenger rail equipment.**

# NGEC FINANCE and ADMINISTRATIVE SUBCOMMITTEE

**MINUTES**

DECEMBER 4, 2024

3:00PM EASTERN

TEAMS MEETING

<b>FACILITATOR</b>	<i>Tim Ziethen, Chair of the S305 Finance and Administrative Subcommittee (FASC)</i>
<b>ATTENDEES</b>	<i>Tim Ziethen, Brian Beeler II, Ray Hessinger, Amanda Martin, Melina Lopez, Amanda Villani, Steve Hewitt, Strat Cavros, Shayne Gill, Barley Fields</i>
<b>ABSENTEES</b>	<i>Mike Murray, Troy Hughes, Larry Salci</i>

## DECISIONS MADE

**1. Welcome and Open Meeting – Tim Ziethen, Amtrak:**

FASC Chair Tim Ziethen opened the meeting and asked Steve Hewitt to call the roll.

**2. Roll Call – Steve Hewitt:**

After calling the roll, Steve Hewitt could not confirm the presence of a quorum due to the absence of FRA.

**3. Approval of Minutes from the 11-20-24 meetings – Tim Ziethen, Amtrak**

Due to the lack of a quorum, approval of the 11-20-24 draft minutes was tabled until the next meeting (likely 1-15-25)

**4. Treasurer’s Report – Tim Ziethen:**

Balance/spend rate through September 2024:

Total Invoiced/Incurred (Including Carryover) - \$176,756.44  
 Accrual Amount to Reflect Billing Lag 60 days – \$7,530.66  
 invoiced + Accrual Expenses to date (through September 2024) – \$184,287.10  
 Amtrak AOP Funding - \$260,000  
 Average Monthly Spend – \$14,729.70.

This closes out the FY24 funding provided by Amtrak Operating Expenses (AOP) Funding balance does not carry over year to year.

Funding committed to the NGEC and allocated by Amtrak Finance is \$100,000 for FY25. Based on the average spend rate, this funding should take the NGEC through 3-31-25. Steve Hewitt asked if the \$100,000 was available through 3-31-24 or was it available until expended. Tim replied that it was available until expended.

Steve Hewitt asked if the Balance and Spend rate report will now track FY25 – beginning on 10-1-24 and based on the \$100,000 allocation.

Tim replied in the affirmative and confirmed that he will provide Steve Hewitt with the final “actuals” report closing out

FY24 and will begin the next report based on the \$100,000. Allocation for FY25.

## **5.**

### **Funding discussion – Tim Ziethen:**

Status: Amtrak Government Affairs Efforts/White paper:

Tim reported that he has had internal discussions – but not as fully as he had hoped due to the holiday (Thanksgiving). However, he noted, he is still engaging with Amtrak Legal and Government Affairs and is looking to reach a final decision as to whether there are funds that could be made available for the NGEC beyond March 2025.

Tim added that there is a great deal of pressure on Amtrak to reduce its spending “dramatically” which is “making it all the more difficult”.

Status – Outreach to FRA:

Tim reported that he is trying to get to an answer internally before reaching out to Mike Murray, FRA.

Discussion – Potential of establishing a policy to set aside or take down a percentage to fund the NGEC out of FRA grants procuring passenger rail equipment:

Tim Ziethen reported that the concept of a take down or hold back of funding for the NGEC as suggested by Troy Hughes, MODOT, on the last FASC call, has some precedent. Amtrak currently is able to hold back or take down a certain percentage of a grant and place it in a fund for safety, efficiency and planning. The proposed NGEC set aside seems like it would fit into this category.

Tim noted that he needs to talk about this with Mike Murray and/or whoever he designates. In these discussions, for Amtrak, it would likely be someone from Public Affairs or Legal.

Tim continued, noting that “if there isn’t a good option of using internal funds” the next step would be to talk to FRA about a take down or hold back option – or possibly other options or areas of funding.

Tim suggested possible consideration of fees or subscriptions whereby each member agency contribute on a monthly or quarterly basis. This would include Amtrak contributing as well.

Steve Hewitt commented that there was a “future funding” task force that looked at all sorts of options including charging a fee for specification use and/or NGEC membership subscriptions and it always got stuck on the fact that the NGEC is not an “entity”. The task force talked about the fact that the NGEC would likely need to become a corporation in order to receive funds. This concept ran into several road blocks – one being that some states could not be in the NGEC if it was incorporated. After months of discussion on all options it could come up with, the task force concluded that funding the NGEC is a federal responsibility. The cleanest way would be through the appropriations process which initially funded it, but other federal options should also be available. Steve added that the work of the task force concluded in 2014 or 15 and the Chair at the time was Eric Curtit, MODOT and Steve would have to look further into the record to get the exact language, but this was the general sense as he remembers it.

Ray Hessinger, NYSDOT, current NGEC Chair, concurred.

Steve Hewitt also noted that no matter what way we go – along the lines of a take down or some sort of fee, it is likely a long-term fix, but there would still likely be the need for short-term gap funding to get to the long-term funding.

Tim appreciated the comments and added that he believes it is important that “we look into all options before we start shutting the doors”. Tim also noted that, ultimately, Amtrak may need to take on some of the work load for the Committee as a part of the plan going forward.

Strat Cavros, AASHTO, commented that AASHTO has a technical services program based on a subscription model and he wondered if Amtrak would be able to host something like that with subscriptions from states.

Tim agreed to check with Amtrak Legal noting that “it seems reasonable – we would need to determine if we (Amtrak) can do it”.

Tim asked Strat if there are state or federal funds that could be accessed through AASHTO.

In the end, Tim commented “no idea is a bad idea”. He added that he will talk with Amtrak’s Senior VP for Government Affairs and with Mike Murray at FRA “to see what other stones can be turned over”.

Steve Hewitt reminded Tim Ziethen that there was an Executive Board meeting next wee (Tuesday 12-10-24) and it will be a good opportunity to continue this discussion. Steve also noted that it is always difficult to hold meetings as the holiday season gets underway and it is likely the FASC and possibly the Board will not meet again (after next week) until January.

Tim agreed and stated that a January timeframe is probably what it will take to look at some of these options and try to determine what, if anything, is feasible.

**6.  
Other issues/questions – All:**

With no other business forthcoming, Tim Ziethen adjourned the call at 3:25pm Eastern.

**Next Meeting  
Not yet confirmed but likely to be  
1-15-25**

**Decisions - Action Items**

Balance/spend rate through September 2024:

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Steve Hewitt asked if the Balance and Spend rate report will now track FY25 – beginning on 10-1-24 and based on the \$100,000 allocation.

Tim Ziethen will provide Steve Hewitt with the final “actuals” report closing out FY24 and will begin the next report based on the \$100,000. Allocation for FY25.

**Future Funding for the NGEC:**

**Future Funding:**

See discussion under item 5 above.

Actions:

- Tim Ziethen to continue to talk with Amtrak Government Affairs and Amtrak Legal to determine what – if anything – can be done internally –before reaching out to Mike Murray, FRA.
- If there is not a solution coming out of the Amtrak internal discussions. Tim will next reach out to FRA. He will also look into the feasibility of using a take down or something similar to what Amtrak does now where they “hold back” percentages of grants for safety, efficiency and planning, to see if such a concept would work for the NGEC.  
  
Tim will talk with Amtrak’s Senior VP for Government Affairs and with Mike Murray at FRA “to see what other stones can be turned over”.
- Tim will try to have some follow-up discussions and be prepared to report to the NGEC Executive Board on 12-10-24.

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<p><b>NGEC 2024 two-pager – public awareness:</b></p> <p>The 2024 version of the two-page educational flyer is now available electronically or in hard copy by request from Steve Hewitt. It is also posted on the NGEC website <a href="http://www.ngec.org">www.ngec.org</a>.</p> <p>To date: 487 copies (hard and electronic) have been distributed.</p> <p><b>NGEC 2025 two-pager:</b></p> <p>This item is on hold until decisions on the future of the NGEC are made.</p>
<p><b>2024 Annual By-Laws Review:</b></p> <p>This item was tabled until there is a funding solution and source identified.</p>
<p><b>Annual Meeting:</b></p> <p>The in-person Annual Meeting has been canceled. A virtual meeting will be scheduled at a later date once the future of the NGEC is clearer.</p>
<p><b>Next Meeting 1-15-25 ?</b></p>

**ATTACHMENTS**



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**Finance and Administrative Subcommittee (FASC)**

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**Meeting ID: 252 723 675 90**  
**Passcode: uwnpAp**

**AGENDA**  
**12-4-24**  
**3:00PM Eastern**

- |                                     |              |
|-------------------------------------|--------------|
| 1. Welcome/Open                     | Tim Ziethen  |
| 2. Roll Call                        | Steve Hewitt |
| 3. Approval – Minutes from 10-23-24 | Tim Ziethen  |
| 4. Treasurer’s Update               | Tim Ziethen  |

Balance/Spend Rate/Forecast

5. Funding Discussion

Tim Ziethen

Status: Amtrak Governmental Affairs Efforts/white paper

Status: Outreach to FRA

Discussion – establishing take down from FRA grants provided for procuring passenger rail equipment

Next steps

6. Other Issues/Questions

All

**Next Meeting 12-18-24**